THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

June 4, 1949

FINAL PROOF

AN EDITORIAL

The Liberation Of Shanghai

Mary Barrett

Profile Of Chen Yi

Cooperatives In North China

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TRADE RESTRICTIONS

AN EDITORIAL

VOLUME 114 JMP100 NUMBER 1

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Resist Temptation

To The Editor:

The Communists' entry into this greatest metropolis of China—Shanghai—has been long expected and eagerly awaited. Owing to their excellent discipline, which serves as a contrast to the Kuomintang armies, the Reds have created an unusually favorable impression among the people.

With their overwhelming victory, the Communists are going to rule the whole nation according to the principles laid down by Mao Tze-tung, China's Stalin. As an impartial observer, I wish to say that while the military success of the Communists is undisputed, their success along political and economic lines remains to be seen.

Politically, the Communists are trying to win the support of the middle class and the petty bourgeoisie, which is a wise move. China is not Russia and the Chinese Revolution cannot be wholly modeled after the Russian pattern. This is also seen from the writings of Mao Tze-tung, who is realistic as well as idealistic. The Chinese people on the whole are law-abiding, and they are satisfied when they can live in peace and work for their own bread.

Now, with the Communist victories not only the people of China, but also of the world are casting their eyes on the new government and watching closely what they are doing. Their sympathizers wish them every success while those not in sympathy and who are suspicious of them hope they will step into the shoes of the Kuomintang and suffer the same defeat.

It goes without saying that the Communists are experts on agrarian problems and rich in experience in ruling the country, but their financial experts seem to be lacking. To rule a city like Shanghai, which is so complicated, should tax their brains. In this city the speculators are rife and money can be easily made by many means. As far as we can remember, all those formerly in power in Shanghai could not resist the temptation of corruption. Modern comforts being readily available here, it is feared that the Communists in enjoying their "decent living" may forget their past hardships and may not continue the Revolution.

The Communists must stand firm with hearts adamant toward the luxuries. If possible, I hope they will continue to live Puritan lives so that their chances of being corrupted will be small. They will thus be able to be square and strict in their dealings and cannot be bought or bribed with money. Then honest and efficient administration, which China needs badly, can be carried out.

Corruption accounts for the collapse of the Kuomintang, which should serve as a good lesson for the Communists. The Kuomintang should have been a party for the nation and the people as its name indicates; but instead as soon as it seized power from the warlords it left the nation and the people behind and the high officials and officers looked only after their own interests and pleasures.

It is not far from the truth that if the Communists can successfully govern

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Shanghai, they can equally or more successfully govern any other city, for Shanghai in one way is a melting pot. The Communists must not let themselves be placed in the pot to be melted. They must be on the alert and remain what they are so as not to be influenced by the temptations of this great modern city.

We are waiting for the new economic measures to be promulgated and carried out in this city. We hope they will be realistic, unlike those given by the Kuomintang. It will not be good to keep making continual changes which puzzle the people who do not know what orders to follow, as the Kuomintang did. Remember, the less interference the better—at least for the first stage.

We love the Communists who love the nation and the people. The hope of all the Chinese people lies in them. The people have been tortured both mentally and physically under the Kuomintang rule and have had enough of it. Now they can heave a sigh of relief. It is our earnest wish that the Communists will bring the Revolution, which changes the face of China, to a very successful conclusion.

Human beings are comfort-loving and we don't expect the Communists, who are also human beings, to be exceptional. But until the time comes when China is made a land of plenty, their mode of living should not be different from that of their Yenan days. Thus their great historic mission—the elimination of the remnants of the reactionary elements and the building up of the nation—will not fail!

T. T. WU

Shanghai
May 27, 1949

Shareholder's Plan

To The Editor:

I should be obliged if you would be so kind as to publish the attached comments in the interests of investors and shareholders in Shanghai companies:

In order to improve relations between the workmen and employers and to give the former an interest in the profits of the company, they should be given a share in the profits and the right to elect delegates to protect their own and the stockholders' interests. These delegates should be present at all board meetings and regional meetings with full voting rights.

The first duty of all companies is to work in the interest of the country and to make reasonable profits for the shareholders, investors and workmen and not only for the benefit of the agent and directors of the board. The workers' share in the profits should be paid on request in non-transferable stock, transferable only to the workmen of the company, and the company should be obliged to give reasonable loans to the workmen at the same rate of interest as the ruling bank rates. Further, the company should be obliged to redeem such stock on demand at the nominal rate. The company should also have the right to sell such stock at the ruling price with the profit to be credited to the pension fund of the staff and workers. These pensions and other pension awards should be distributed to persons in the company, not to directors of the company, and the amounts so awarded should be approved by the associations named and the shareholders and investors.

If the workers earn good money and invest part of their savings in this manner, they would be proud of it and at the end of the year, on seeing an increased declared dividend, would feel that they had helped to achieve this. Workers should also be given preferential treatment when new capital issues are made, on the condition that such shares be transferable only to workers and re-

deemable at the prices stated above.

Such a practice, if introduced, would be in the interest of the investors and shareholders. The workmen would see that the funds are not wasted, it would assist the economy and it would abolish the present practice of writing off assets, putting large sums in reserve, withholding the distribution of profits, and ploughing under dividends at the expense of investors who by such actions are discouraged to invest their money. The shareholder is deprived of the income on his investment when the management says to him, "We have earned so much, but we propose to put so much in reserve," leaving nearly nothing for distribution as dividends, although the company has an abundance of idle cash which the agent, against the rules of association, keeps in his hands, paying for it one percent for one year although the interest rates are nearly 500 percent per month.

In some companies, the agent has the right to keep small amounts of cash for incidental expenses, but he should have no right to keep millions of dollars belonging to the shareholders at about one percent per year while the banks pay more than six percent per day on credit balances.

It is an urgent necessity that big taxes should be levied on undistributed profits. In my 56 years experience in China, the shareholders and investors very seldom or never received back the equivalent in dividends and stocks of the money earned because of such manipulations.

The shareholders in Shanghai are apathetic. They stay away from meetings, and sometimes only one or two independent shareholders are present, the others attending consisting of the directors and persons employed by the agent. Very often directors do not have the requisite number of shares to qualify, or even possess none at all, and are nominated by the agent to serve as yes-men. It is of urgent necessity in the interest of all investors that a share-broker does not become chairman or a director in the companies, because by knowing everything in advance he can influence the market to his and his friends' advantage at the expense of the other investors. Such a thing is possible only in Shanghai and nowhere else.

A Shareholders and Investors Association should be formed, to work jointly with the labor unions, to protect the interests of all concerned. This association, not the agents, should have the right to propose and nominate directors from the large shareholders, and should be enabled to take action in court against professional gamblers who spread false rumors and influence the market for their own benefit.

Since over 90 percent of the shareholders' money in foreign companies in Shanghai is held by residents in China, the board meetings should be held in China and not in Hongkong, as is often the case now.

L. SOYKA

Shanghai
May 28, 1949

Fishery Suggestion

To The Editor:

Most of the foreign specialists, including myself, sent to China by UNRRA were assigned to problems connected with solving the food situation which had been created by the devastation of the Japanese war. However, owing to the inefficiency and corruption of the Nationalist Government, coupled with similar tendencies in UNRRA itself, practically no benefit was realized by the masses of Chinese either from our services or from the huge amounts of supplies and equipment brought to China.

This was especially noticeable in the work of the Fisheries Rehabilitation Administration, which originally received 127 modern powered fishing vessels, one can-making plant, three one-line canneries, eight fish meal plants, 13 vitamin oil plants, numerous cold storage and ice making plants, 1,700 small diesel engines, hundreds of foreign administrators and personnel for training Chinese, and huge sums of money for set-up and subsidy in operational expenses. The equipment alone cost US$26,000,000, exclusive of shipping and administrative costs. Yet, in spite of this great outlay and opportunity for furnishing cheap food to the big cities of China, not more than 10 percent of the full capacity of the equipment has ever been exploited and no betterment in the price or availability of fish or fish products for the population in the cities has been apparent.

From the beginning, operations were hampered by lack of cooperation, at times amounting to obstruction, on the part of private fishing companies. Huge loads of fish brought to the Shanghai fish docks were not allowed to be unloaded and sold because this would naturally lower or tend to lower the price of fish for the private companies. The Nationalist Government took no effective measures to remedy this situation because they themselves were hand in hand with all methods to squeeze the last drop of blood out of the people, and there is no doubt but that certain high Kuomintang officials got their rake-off from the private fishing companies.

Other reasons for the failure of the program, traceable directly to the in-

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efficiency of the Nationalist Government, are: 1) non-establishment and incompletion of food-processing plants and cold storage and ice-making plants, 2) slowness in allocation, sale, and transfer of the powered vessels to groups of small fishermen or to private companies, and 3) practically no assistance to the junk-building program.

As a practical suggestion to the New China Government in assimilating the aforementioned capital for the nation's economy and to relieve the immediate shortage of food in Shanghai in particular, I should advocate adoption of one of the two following courses: 1) sale of all equipment to private companies and artels of fishermen, and 2) organization of all the small junk fishermen into artels or collectives which would be served by establishments of power fishing stations. The members of such artels, together with their craft, would cooperate in making big hauls, using the motor vessels to the best advantage, and all sharing according to their skill and labor in the profits of the artel. The power fishing station would furnish all the equipment except the small wooden craft needed by the artels and would be paid for the use of this equipment and the supplies consumed out of the sales of the fish or by a part of the catch, to be determined by agreement.

We hope that there will not be action, but we realize that it will take some time before organizations can be set up. When the time comes there are people here who will still be waiting to serve such a purpose.

R. D. MERRICK

Shanghai
May 31, 1949

Snow Criticized

To The Editor:

I have read Edgar Snow's two articles, namely, "Will Tito's Heretics Halt Russia?" (*Review*, February 5) and "Will China Become A Russian Satellite?" (*Review*, April 9) with dismay and disappointment because I have known Snow personally since early 1929 and had always found him an upright journalist.

I was indeed happy to see how William Steinhaus, in his article "Yugoslavia, China and Snow" (*Review*, Feb. 19) castigated rather unsparingly Edgar Snow's view of the "Tito-Cominform controversy as an augury of weakness and strife within the socialist and communist states of the world." Steinhaus, with a deeper insight into the issue, pointed out the precariousness of Tito's present position due to such factors as his dependence on his police force instead of the people responsible for Yugoslavia's liberation, and his isolation from his eastern European neighbors and their inter-related economies.

In his "Will China Become a Russian Satellite?" Snow presented some views that are hard to understand in view of his long stay in China and the liberated areas. Whether Communist China will become a Russian satellite or not is a question yet to be answered, but I agree with Secretary Harold Ickes that the Chinese Civil War is "an agrarian revolt against the corrupt and barbarously tyrannical regime of the KMT" rather than for the liquidation of capitalism in China, as Edgar Snow says, because there is no capitalism in the modern sense of the word to speak of in China.

Secondly, Edgar Snow is devoid of political and diplomatic savvy when he quotes President Truman's proposal for a coalition government in China, Moscow's intervention in the Sian incident, and the joint US-USSR support of the KMT take-over after VJ Day as evidences of American and Russian snubs of the Chinese Communists. He apparently does not realize that these were master strokes of political statesmanship on the part of Stalin, who realized beforehand that the Chinese Communists were capable of winning by themselves, and who wanted to keep himself clear, for the time being, at least, of western nations' suspicion.

So long as the USA persists in her dollar-and-atomic-bomb foreign policy of anti-communism in name, but of a monopolistic domination of the world in fact, America will lose all her past friendly relations with China and the other Asiatic countries.

CHINESE JOHN THE BAPTIST

Chengtu, Szechuen
April 19, 1949

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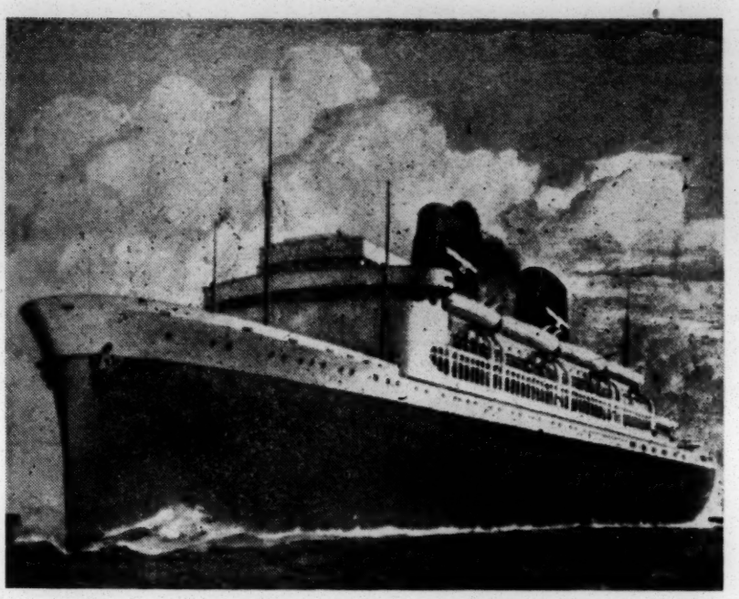

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Final Proof

WHILE for many years there has not been any doubt in the minds of the masses of the Chinese people about the essential rottenness of the Kuomintang, there unfortunately are still some people abroad, especially in America, who cling to the belief that the KMT deserves support. The last days of the Kuomintang in Shanghai should, however, serve as final proof even to these diehards that the old regime is in the process of getting what it richly deserves.

The long standing Communist charge that the Kuomintang was guilty of "crimes against the people" has never before been better substantiated than in Shanghai where the KMT's final actions were almost beyond belief. Probably the only reasons why the city was spared complete physical destruction were the speed of the Communist occupation and the general inefficiency of the Kuomintang. The good luck of the city cannot be ascribed to any virtues of the departing authorities.

The worst crime of the KMT was the execution of a so far undetermined number of political prisoners on the eve of the change over. During the few weeks preceding the arrival of the Communists, public executions of silver dollar peddlers, "subversive" elements, and others almost became the order of the day. It goes without saying that these sidewalk executions were done under the provisions of martial law and that the accused rarely had the benefit even of a farcical Kuomintang trial. In one instance, the details of which were openly published in the KMT press, suspects who had previously been tried and sentenced to a few years imprisonment by a military court, were suddenly jerked from their cells and executed on various street corners as an object lesson to the public.

To date it has not been possible to determine the extent of the last-minute executions, although it appears certain that a large number of unfortunate individuals were brutally murdered. The *Ta Kung Pao*, which could never have been considered a Communist organ, reported on May 26 that just one day before the KMT troops pulled out of Shanghai, they executed more than 300 political prisoners at the Sung Park. On the eve of liberation, the paper continued, nine students were shot at the Foochow Road Police Station by order of Police Commissioner Mao Sen.

On the same day, in another story, the *Ta Kung Pao* revealed that during the last few weeks prior to their escape, the KMT daily shot many political prisoners at Kiangwan. On May 27, the *China Press*, formerly controlled by H. H. Kung, reported that KMT Police Commissioner Mao Sen, during his three months' tenure of office here, killed more people in this city than any of Chiang Kai-shek's other special service men who were stationed here in the past.

The destruction of property was extremely great. The fact is that more property was deliberately burned or otherwise destroyed by the KMT than was lost during the actual fighting. In the Hungjao area whole villages were burned, peasants' fields were dug up in order to erect earthenworks or other defense installations, while nearly all trees were cut down in order to secure lumber for defense works. It is hardly necessary to point out that all this destruction was needless since the KMT actually did very little fighting when the time came. Other outlying areas also sustained considerable pre-fighting time desolation, although perhaps not on so extensive a scale.

However, it was only after the Communist occupation actually began that the really crippling and entirely inexcusable destruction began. The Kiangnan Dockyards, the most modern and largest such works in China, were partially destroyed. The country will feel this loss perhaps for years. It would be impossible in the space available to give the list—which so far is not complete—of property wantonly destroyed by the retreating Nationalists. A few headlines culled at random, however, give a general idea: Commodities Exhibited at Chamber of Commerce Looted By KMT Troops; US$50,000 looted From China State Bank By KMT Troops; RCA Offices Smashed By KMT Soldiers; Enemy Troops Looted 30 Ships Before Evacuation; Chiang Kai-shek Ordered Destruction of Shanghai; Over 10 Ships Sunk By KMT; Tang En-po Ordered Destruction; Sub-station of Telephone Company Looted By Nationalist Soldiers.

The destruction of military equipment was tremendous. Reporters visiting Woosung tell of long lines of vehicles loaded with military and other goods which were sprinkled with gasoline and fired by the retreating troops. Gasoline and other supply storage depots were burned. At one place near Woosung, for example, the KMT drove loaded trucks onto wharves which were soaked with gasoline and set fire.

Despite this attempt to render useless all military equipment which could not be taken away, fabulous quantities were left behind in useable condition. The past week has seen great streams of this material being hauled about to be sorted out. The disarming of the Nationalist troops occupying the *Review's* office building, for example, has yielded a perfectly enormous amount

of miscellaneous stuff such as rifle and machinegun bullets, grenades, etc. when it is realized that perhaps not more than a couple of dozen or so KMT soldiers were stationed here.

Since we are able to see how large was the amount of military equipment destroyed, as well as what was left intact, and since we know that the KMT spent about a month hauling stuff out of here as fast as it could, we can obtain a fair picture of what the original stockpile must have been like. It is difficult to reconcile this obvious superabundance of equipment with the frequently made statements in America by people such as William Bullitt, Walter Judd, and others to the effect that the KMT has been losing the war largely because it was short of arms. If anything, it would seem that the KMT has received much more equipment than it could use. In fact, judging by the appearance of many of the Communist soldiers hereabouts, there has nearly been enough American materiel to arm both sides!

—*Mai Kan.*

The vindictive and senseless last-minute killing, burning, and looting, coupled with an almost comical attempt to escape after much loud talk of fighting to the end, should constitute final proof to those who for personal or other reasons still maintain that the KMT continues to have some merit.

Trade Restrictions

THE United States Government, according to press dispatches from Washington early this week, is drawing up a new plan governing American trade with the new China. A policy of restricted trade like that which governs American economic relations with Communist Eastern Europe is being worked out by the State Department to cover dealings with this country, it was reported.

The new plan is said to have two main provisions. 1) What the Chinese buy from the US will be in cash or goods. No American aid supplies go to Communist areas. 2) Goods which are now barred from trade with "Russia and its European satellites" because they might have military value will not go to Communist China either.

It thus appears that America plans to penalize China for changing its form of government. There is no use in pretending that restrictions upon American exports to this country will not be a blow to the hopes of those Chinese and Americans who are even now making plans for increased trade between the countries. It is also clear that if the restrictions are of the same nature as those applied to Eastern Europe, certain aspects of the forthcoming struggle to industrialize and modernize the country will be made more difficult.

While the regulations enforced in Europe specifically ban goods "having possible military value," this description is a very loose one and can be interpreted in whatever fashion the administering officials desire. Actually, if past practice is any criterion, the real purpose of this restriction is to deny "unfriendly" countries the materials for modernization. Thus, even spare parts for automobiles and trucks are banned from shipment to Eastern European countries, not to mention heavy industrial goods such as most types of complicated machinery, etc.

What makes this attitude of the American Government more damaging than ever is its power over most of the other highly industrialized regions of the world. Britain, France, and the industrial areas of Germany, for example, are dependent to a large extent upon American aid. All recipients of Marshall Plan funds have been forced to follow America's lead in restricting shipments of industrial and other manufactured goods to Russia and Eastern Europe. Presumably, the American Government will be in a position to dictate in a similar manner to many countries desirous of trading with China.

China will certainly suffer from such a policy. America is a rich country and she can more easily afford to restrict trade than other nations. From a short term point of view, China will obviously suffer more than the United States. However, America, too, will suffer and in the long run she may be the greater loser. Unless China can sell her exports in the American market and obtain the type of goods which she wishes in return, she will not long patronize that market. Some of China's products, such as wool and vegetable oils, certain minerals and a few other products, are in great demand in the United States and any reduction in trade will have immediate repercussions on the American economy. Trade restriction is a two edged weapon.

Although the US is an extremely well-developed and enormously rich land, wealth does not grow on trees, but must be made through the exploitation of natural resources. In addition to requiring quite a few vital materials from abroad, the present form of economic organization in America is far from fool proof in that because of an entirely inadequate system of distribution, large quantities of manufactured goods must be sold in foreign markets if the home economy is to prosper. While America's foreign trade is only a small percentage of her internal business, it is usually this very percentage which means the difference between profit and loss for industry as a whole. It also frequently means the difference between depression and prosperity.

Since the end of the war, the American economy has shown unmistakable signs of creaking at the seams. During the war years, the productive machine was expanded greatly, while

the purchasing power of the broad masses of the people has not increased nearly as rapidly. Thus, the old problem of over production has become more acute. The crisis has been postponed by the Marshall Plan, by expenditures for occupation costs in Germany and Japan, by Government stockpiling of critical materials from abroad, and even by the ECA program for China. Despite these disbursements of public monies abroad, the postwar period of prosperity has been drawing to a close as the public's savings, stored up during the war, have become exhausted and internal purchasing has declined. Unemployment, although still not serious, has been rising month after month. At long last, even prices of many items have begun to slip. The American economy is in need of a strong shot in the arm.

The obvious answer, of course, would be to place a curb on profits — which last year were the highest in the nation's history—and to inaugurate an enlightened policy aimed at expanding world trade. However, as is so often the case, a more difficult solution is being sought. For political reasons world trade is being restricted, while labor still does not have the ear of government. To prevent a serious economic recession, therefore, wasteful pump priming schemes such as the European Recovery Program (Marshall Plan) are being continued. However, as the second year of ERP begins and the home economy is still slipping, additional remedies are needed. More than likely, President Truman's sudden interest in helping "backward" areas of the world attain modernization stems in large part from realization that some further outlet for government funds must be found.

This general policy of the American Government, we have pointed out several times in the past, can lead to nothing but eventual bankruptcy. It will not even secure the political results abroad which the present administration hopes to purchase with the American worker's and taxpayer's money. In fact, it is most likely that the very opposite result will be obtained. The economy of Western Europe may well be ruined and if that is the case, Uncle Sam is sure to be blamed. Obviously, America is not making any friends in Eastern Europe.

Apparently the American Government now wishes to add China to the growing list of countries where the name of the United States is mud. Certainly China will not remember America kindly if the administration actually attempts to sabotage the country's recovery and industrial progress.

Misplaced Emphasis

THE liberation of Shanghai has made several things clear. One is that a large part of the foreign community has failed completely to understand what has actually happened. Aside from the fact that the Kuomintang has finally been kicked out of the country's largest commercial and industrial city, the important thing is that Shanghai has been returned to the control of the Chinese people.

There will, we imagine, be foreigners who, deliberately or because of lack of knowledge, will dispute this statement. They will say that China regained control of Shanghai (and other treaty port cities) by virtue of the treaties abolishing extraterritoriality. Technically this is true but actually foreigners have continued to play a role out of all proportion to their numbers, especially considering that this is not their native land. Also, because of the Kuomintang's reliance upon foreign aid, foreigners have in fact occupied a most special position in this country. No honest observer can dispute the fact that in the past a foreigner was "important" merely because he was a foreigner. The foreigner in Shanghai occupied an even more prominent position than his counterpart in the interior since Shanghai is China's most modern city and most like cities in the West. No matter whether it were traffic control or financial problems, foreign advisers were regularly called in.

We believe there will be a place in China for certain types of foreigners in the future, especially since the new regime is dedicated to physical modernization and will probably require both materials and techniques from abroad. Foreigners possessing special skills will be needed. However, it is already evident that they will no longer receive the preferential treatment which they enjoyed in the past. In fact, it is quite likely that the new authorities, having the example of the toadying Kuomintang before them, may exercise extreme care to make it plain to those foreigners remaining in China that they are no longer first class citizens, but rank with and,

Home From the Big Bear Hunt

This cartoon portrays US Representative J. Parnell Thomas, former head of the House Committee on Un-American Activities, who led the Committee's smear campaign against Americans suspected of "subversive," i.e. pro-Communist, leanings, being caught in a trap himself. Thomas was indicted by the Department of Justice on charges of public fraud.

perhaps in some instances, after the people of China.

This newspaper has existed throughout the postwar years largely because it was foreign owned. Dozens of our Chinese contemporaries were suppressed during this period and, in some cases, their editorial staff members were arrested or forced to flee the country.

Perhaps the most telling evidence showing how the foreigners have failed to understand what has happened to Shanghai is in the misplaced emphasis upon the incidents involving foreigners during the occupation. Local English-language dailies, as well as the foreign press associations, have written reams of copy about how this or that foreigner was beleaguered in this or that section of the city. For example, great prominence was given to the doings of the editor of this newspaper—whose activities were almost entirely misrepresented—while scarcely a few lines was devoted to the fact that more than 100 Chinese civilians lost their lives during the fighting.

It should have been obvious to any foreigner except those unfortunately still possessing the views of a 19th Century treaty port taipan, that what was happening to some five million Chinese was of vastly greater import than the fate of some five thousand miscellaneous foreigners.

Webster's dictionary defines revolution as "a fundamental change in political organization, or in a government or constitution; the overthrow or renunciation of one government or ruler, and the substitution of another, by the governed." That is what has happened here. There has been a revolution and China's foreign residents, who by and large were among the principal beneficiaries of the old regime, are facing vastly altered conditions, whether or not they yet realize it.

KMT Attack On Hongkong

THE KMT Deputy Foreign Minister, Mr. George Yeh, has charged that the British are allowing the Chinese Communists to use Hongkong as a supply base for carrying on their war against what's left of Nationalist China. This is a strange charge, especially coming at this particular time.

As almost all observers of the China scene know full well, the main supply base for the Chinese Communists has been the United States which produced the arms and other war materials and handed them over to the KMT which served as the supply organization for transporting this equipment to the Communists. Seriously, the idea of the Communists depending upon Hongkong for their supplies, particularly at this late date, is rather ridiculous.

One complaint which Mr. Yeh might have made would have been to criticize the British for providing their traditional asylum to a group of Chinese Communists and other political refugees during the past couple of years. However, it is possible that Mr. Yeh, sitting in nearby Canton, has some ideas of future residence in the crown colony himself and would not wish to bring up this subject just now.

25 Years Ago in *The China Weekly Review*

May 31, 1924

New And Old China

A summary of events in China for the week past would be incomplete without mention of three events typical of China in these days. On the one hand was an assemblage of over 500 students to compete in athletics at Wuchang, while elsewhere Chinese gentry and officials were praying to an Iron Tablet for rain and the republican governor of Chilhi ordered that all Chinese cut off their queues because they are a mark of ignorance.

* * *

Queues Again

General Wang Chen-ping, civil governor of Chihli, has issued instructions to all the district magistrates in the province ordering them to see that all citizens under their jurisdiction have their queues cut. Each district should organize a queue-cutting squad for the enforcement of the orders. Proclamations of two months should be made first before the squad can be sent out to enforce the orders and any one who should refuse to obey will be subjected to penalties of detention and fine.

10 Years Ago In *The China Weekly Review*

June 3, 1939

China's Common Man

As one moves on the trail of new industry, and meets workers and peasants who have had to leave their homes and their work and flee before the war pestilence, there comes a new realization of how fundamentally decent and right-thinking the common people of China are. One knows that given the kind of social structure that will enable them to work together and to progress, nothing will be able to stand against them, and that the world will be richer for what they have to offer. There comes the feeling that the Chinese people will emerge from the chaos which faces the world better than anyone. They have been used to chaos. They are learning how to meet new situations in new ways. Their eagerness to set up and run industry when they have the chance offered shows this clearly. Unlike the scion of the official class in China, the common man has learnt to trust the group rather than himself. He is more of a cooperator than an individualist. With the support of such, new industry has an assured success.....

I was on a bus. An old man with spectacles, and very stout, was discussing things in general with his companion. "Of course Chinese are better for airmen than Westerners," he was saying earnestly. "It is so much more difficult for Westerners to see, with those high noses."

—*"Searching Old Trails for New Industry," by Rewi Alley.*

* * *

Shanghai's Basket Fair

Shanghai's annual Basket Fair, held under the auspices of the famous Bubbling Well Temple, is being held this year within the Temple compound. For many years the exhibits, consisting of baskets in infinite varieties, furniture and household equipment, have been held along the streets in the vicinity, but this year the police of the International Settlement refused the exhibitors permission to use the streets. The banning of the fair has caused considerable resentment in the Chinese community, which has always utilized the occasion for the outfitting of their homes. Since the space within the temple compound is limited, the exhibitions have been greatly curtailed.

SHANGHAI'S NEW MAYOR

GENERAL Chen Yi, Commander of Chinese Communist Armies in East China (Shanghai-Nanking area), has been appointed mayor of Shanghai and is chairman of the Military Control Commission for the city.

The veteran Communist leader, who led his victorious troops from Shantung province through north Kiangsu and on across the Yangtze River to Nanking and Shanghai, is the son of well-to-do landlord parents of Szechuen, a French-returned student who financed his studies of chemistry in France by working as a lathe operator. And there the resemblance between Chen Yi's career and that of the ordinary run of intellectuals ends, for from his youth he was absorbed in revolutionary work.

The May fourth movement, when China's students protested against the infamous Nineteen Demands of Japan, found him active among the students. The revolutionary trends of post-World War I France and Europe, where he arrived with Chou En-lai and others in 1919, helped to clarify his direction, and in 1921 he, Chou En-lai and a small group of Chinese students formed the Chinese Communist party abroad. Then, with the inception of the ill-fated period of cooperation between the Chinese Communist party and the Kuomintang in 1925, he returned to China to do political work, first with the army of the Szechuenese warlord Yang Sen; later, as KMT representative, with the 73rd regiment of Yeh Ting's 25th division, forming a working friendship with Yeh Ting that was to last till the latter's death in a plane crash in April, 1946.

When Chiang Kai-shek turned on the workers in Shanghai in 1927 and broke up the united front, Chen Yi was one of the commanders who set about building the remnants of the Communist forces into an army capable of challenging the Kuomintang. With Yeh Ting and Ho Lung he had taken part in the march on Kwangtung, and following the defeat of the Communist forces at Swatow he and Wang Er-cho brought together the remnants of their forces.

Chu Teh, faced with Kuomintang pressure, withdrew his troops into Hunan, passing through South Kiangsi. His army's strength was only 2,000, among them Chen Yi's men. They struck south towards Chingkanshan in South Hunan, and effected a junction with Mao Tse-tung's forces to form the 4th Workers and Peasants Red Army, with Chen Yi as political commissar.

Then began the amazing upsurge of guerrilla resistance to the Kuomintang which characterized the '30s, and the establishment of Chinese Soviets in the southeastern provinces. The Fourth Army moved into Fukien, establishing itself in the high mountainous districts of the northwest. Chen Yi stayed behind, organizing local guerrilla groups, many of which were later absorbed into Chu Teh's and Peng Teh-huai's armies after Chiang Kai-shek's "First Annihilation Campaign;" introducing land reform to the rural areas; bringing the peasants their first lessons in the whys and wherefores of feudalism, and the means to eradicate it.

Throughout the period of Chiang's "Annihilation Campaign" Chen Yi stayed on in Kiangsi. When the Long March began he helped to cover the Red Army's withdrawal and to keep alive the wide guerrilla movement built up in the past five years. It was at this time, too, that his first wife was murdered by the Kuomintang.

When public agitation finally persuaded the Kuomintang to declare war on Japan, Chen Yi shifted his forces—now a part of the famous New Fourth Army—to South Kiangsu. Under the overall command of Yeh Ting the New Fourth kept up a constant attack on the Japanese from the mountainous Kiangsu-Chekiang-Anhwei hideouts.

The New Fourth became an organic part of the life of the people. It formed its own medical service, and had what medical authorities who visited the area termed "the best army medical organization in China." It "mobilized the villages" and every man, woman and child in the area was given a role in local defense. It organized its own cooperative workshops, producing its own arms, land mines, grenades and guns. And day after day it took its toll of the Japanese, though its fire power was small and the Kuomintang refused it any assistance.

By 1941 Chen Yi was deputy commander of the New Fourth. And then the Kuomintang's final blow fell. The popular anti-Japanese Front fell apart as the Kuomintang grew increasingly uneasy over the powerful influence of the Communists and the revival of democratic trends throughout China. The Kuomintang struck at the New Fourth, tried to break it, arrested its commander, Yeh Ting.

But the New Fourth evaded Chiang. Chen Yi stepped into Yeh Ting's shoes. In 1944 Chen Yi, arriving in Yenan after an arduous journey across half China, could report, "We have been gaining much actual and even more potential strength recently. Our regular forces are only 60 miles from Shanghai, 20 miles from Nanking, and 30 miles from Hankow. Our guerrillas, in plain clothes, are operating very much closer to those cities, almost within sight of their suburbs. Our organization inside those cities are strong and getting ready . . ." (Gunther Stein, *The Challenge of Red China*).

—Photo by Harrison Forman

Following the end of the anti-Japanese war, and the October 10th agreement between Chiang and Mao Tze-tung, the New Fourth withdrew to South Shantung. With the breakdown of Communist-Kuomintang discussions, Chen Yi returned to battle, now the New Fourth's commander following the death of Yeh Ting in a plane crash in 1946.

The rest is recent knowledge—the temporary setbacks in Shantung, the mounting attack throughout 1948 culminating in the victory of the People's Army at Shanghai.

Out of this, you would think, would emerge a man of purely military spirit. But Chen Yi has never been a militarist. His political work has been considerable—among his posts, that of Communist Party representative of Chu Teh's 10th division and, from 1945, a member of the Central Committee of the Chinese Communist Party. He has had a brilliant administrative record. And, with almost a touch of humor, is a chess enthusiast and a poet.

HOW AMERICAN CARTOONISTS (WHO AREN'T HERE)

This cartoon, from the Louisville COURRIER-JOURNAL, is entitled "The Road To Ruin" and might be said to represent the "moderate" or "middle-of-the road" position in America since it views the Communists and Nationalists as equal burdens upon the Chinese people.

The above cartoon, from the Rochester TIMES-UNION, is entitled "All The Same As The Russian Bear" and gives expression to the opinion expounded by KMT supporters such as William Bullitt who view all People's governments as agents of Moscow.

Labeled "The Final Shot," t ford COURANT, shows how som purposely identified China with thus presume that the People's n —Obviously, the cartoonist feels China.

THE LIBERATION OF SHANGHAI

Mary Barrett

SHANGHAI woke up on the morning of May 25 to find that it had been liberated. Like many long-anticipated and momentous events, this happened quietly and inconspicuously. All day long the day before Nationalist troops had been pulling out of the city, and the police station on Foochow Road had been emptying itself of its occupants and their possessions.

During the night, newcomers arrived and ran up a flag in front of the building. But it was dark, and no one knew for sure what was happening. The morning, however, dawning clear and bright, showed the white flags. White flags in front of the police station, the city hall, on the pillboxes and sandbag emplacements throughout the city. Shining in the early sunlight in the hushed city, they promised a peace too good to be believed.

Already troops of the People's Liberation Army were pouring into the downtown areas and in the most businesslike manner, as if this had been long rehearsed, taking over street fortifications and administrative buildings. The streets were all theirs: Shanghai's customary maze of traffic was nowhere to be seen and the clusters of onlookers kept to the street corners and side thoroughfares.

There had been a parade the day before to celebrate some great Nationalist victory—an event which the populace accepted in knowing, straightfaced fashion. Now the street signs were being ripped off and washed away, the banners taken down, the slogans—"Communist bandits are traitors," "Defend Shanghai to the death"—as empty of meaning as the vanished regime, and new ones, retelling the hardships of the people under Kuomintang rule, welcoming the liberation army, and listing the proclamations of the new authorities, went up in their place.

As far as Shanghai was concerned, the war was over. This was peace, and you could feel the relaxation in the sunny streets.

It was not that simple, of course. North of Soochow Creek remnants of Nationalist troops dug in to hold the area until the main body could be evacuated from the port of Woosung at the mouth of the Whangpoo River. This necessitated two days of fighting, but it could not have called a real battle. There were some 100 casualties, mostly from random firing on the Nationalist side, but the Communist troops obviously had been instructed not to damage the city and those on the South side of the creek waited while their colleagues engineered a flanking movement from the rear that ended in the encirclement and surrender of the Nationalist holdouts.

Everyone could share in the surface impressions of the initial days of liberation. First, there was the relief over the fact that there had been no looting. That had been a real fear, as testified by the tightly boarded shops and office buildings. The suburbs of Shanghai had suffered dreadfully in the process of Nationalist defense construction, it is true. Houses and whole villages had been razed, trees chopped down, fields torn up to construct pill boxes. Nationalist soldiers had looted a number of buildings where they were stationed before evacuating or surrendering. But mob looting on a mass scale during the interim period was avoided because there was no interim. The Nationalist evacuation on the whole had been orderly and speedy—some said it was the most effective action yet taken by those troops—and fast on their heels came the People's Liberation Army.

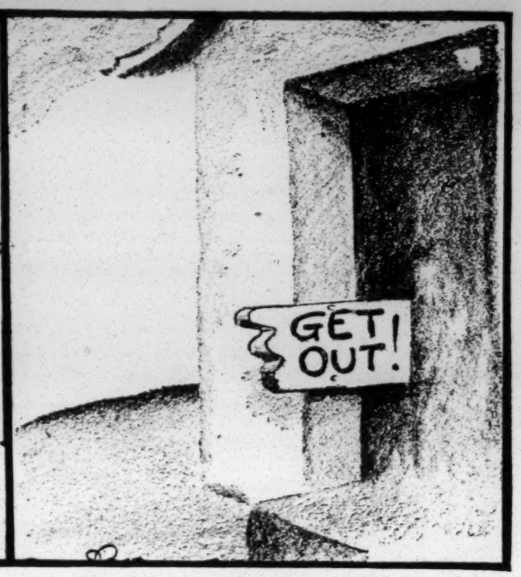
The behavior of these Communist soldiers was the second phenomenon. Everyone marveled at their discipline, their politeness, the purposefulness of their movements. The "goodness" of the Red Army had been legendary, of course, according to all sympathetic and neutral reports reaching here from the liberated areas. Now the people of Shanghai could see for themselves. The soldiers were dog tired. They sat on the sidewalks with their backs against the buildings and dropped off to sleep where they were. The evening of that first day it rained and many of them who as yet had been assigned no shelter were soaked to the skin. But they refused offers of dry clothing, food, tea, even hot water, saying they could not take things away from the people. The only criticism to be heard was that these soldiers were too spartan, too hard on themselves.

As was to be expected, the students were the most articulately jubilant section of the population. They

. . . VIEW CHINA'S LIBERATION

l Shot," this cartoon, from the Hart-
s how some observers in America have
hina with the Nationalist regime and
People's movement is an outside force.
onist feels that this is the death of

Another middle-of-the-road view, this cartoon, from the New Orleans TIMES-PICAYUNE, is called "The Yellow Man's Burden." Like the one at the far left, it provides an easy way out for the timid or uniformed cartoonist who merely laments the "sad" situation.



The American Open Door Policy provides the theme for this cartoon from the Louisville COURIER-JOURNAL, which blandly assumes that in the past the United States had—and was entitled to—specific rights in China which, unfortunately, too many people in America have come to accept as natural and proper.

paraded through the streets doing the yangko dance and singing songs. They held mass meetings to explain the meaning of the liberation and to teach the people the new songs, holding up large signs with the words so that everyone could follow. Over the radio there were singing lessons too. It all added to the festival atmosphere of the flag-bedecked streets.

Shanghai's "new look" was reflected in the press. The *Sin Wen Pao*, a sturdy CC clique organ, stole a march on the rest with a special liberation issue Wednesday morning full of dispatches from the Communist *New China News Agency*. By the following day, the rest of the papers were on the bandwagon. Perhaps the paper that turned "the fastest with the mostest" was the English-language *China Daily Tribune*, another CC clique paper, which blossomed forth with the first installment of Mao Tze-tung's "New Democracy" and a number of *Tass* items about the people's fight in Greece and Korea.

The management of most of these papers had changed even before the Communist arrival. The owners, together with the capital, had fled from the city, and the staffs had taken over publication on their own initiative.

Also conspicuous by their absence were the three individuals who had directed the defense of Shanghai, Garrison Commander Tang En-po, Mayor Chen Liang, and Police Commissioner Mao Sen. They escaped on the last plane from Point Island late Tuesday afternoon. Only a week before, Mayor Chen had assured the public that Shanghai would be defended tenaciously and had predicted that it would become the Verdun of the first World War and the Stalingrad of the second.

If the officials talked one way in public and another in private, so did the lower echelons. Some soldiers billeted in a private home cautiously inquired of the family whether there would be any objection to their changing into civilian clothes and remaining behind when the army left Shanghai. A military driver of a requisitioned civilian truck assured the organization which owned it that he would do his best to return it to them intact, then asked if they could help him get a job driving a municipal bus. One of the military garrison censors whose job it was to see that no criticism or disparaging remarks about the Kuomintang was printed in Shanghai or sent abroad softened his scrutiny of American correspondents' dispatches and confided that he did not expect his present job to last much longer and would appreciate their considering him for a position as soon as he was at liberty.

To anyone arriving in Shanghai for the first time these days the parades, songs and slogans might appear artificial and forced. These people are being propagandized, he might think. The revolution is being forced down their gullets. Some experience of life under the Kuomintang is necessary to appreciate the release that liberation means.

The rule of terror directly preceding the entrance of the People's Army, in which silver dollar sellers were summarily executed in the streets, students rounded up and shot, strikes prohibited on pain of death, and the people's lives and property at the absolute disposal of the military authorities, was merely an intensification of the measures that have alienated the people from their Government during the years.

A documentation of Kuomintang oppression would fill a White Paper, and it is entirely likely that the new government may issue one to preserve the sordid facts for history. Such a document would relate the successive economic measures like the Gold Scandal of 1945 that sent H. H. Kung scuttling to America and Chiang Ching-kuo's economic reform of August 1948 that terrorized the people into surrendering their savings to the Government in exchange for Gold Yuan that turned into so much wastepaper six months later. It would describe the burden of taxation, landlord exploitation and conscription that the peasants have borne all these years. It would list the incidents etched in the minds of China's students, professors, artists and writers, each telling of the imprisonment and slaughter visited on those who dared protest against injustice.

Small wonder, then, that the Red Army troops are looked upon as liberators, and that they command the cooperation of the rank and file of the people. The changeover in Shanghai so far has been wonderfully smooth. Very few productive enterprises were destroyed because of the watchfulness of the workers and the general public. Telecommunications with the outside world operated without the slightest interruption during the entire takeover period. Railway communication between Shanghai and Nanking was restored 48 hours after the army entered the city. The personnel of civilian government agencies stuck to their posts pending the takeover by the Military Control Commission. Shanghai is now free of the past, absorbed in the present, and confident of the future.

SONGS OF LIBERATION

The following are translations of some of the new songs being sung on the streets of Shanghai these days. Anyone who was in the vicinity of some of the city's parks a month or so ago might have heard students learning them and practicing the Yangko dance in preparation for the celebration that was to greet the arrival of the Liberation Army—Editor.

Mao Tze-tung!

Mao Tze-tung is like the sun in the east
Shining through China, bright, oh bright light!
Without Mao Tze-tung, where is democracy
E-ya-heh, eh eh eh yo
Without Mao Tze-tung, where is democracy
Eh-e-yo!

The Liberation Army are heroes of iron and steel
Beating down Chiang Kai-shek, great, oh great heroes!
Without the Liberation Army, where is peace
E-ya-heh, eh eh eh yo
Without the Liberation Army, where is peace
Eh-e-yo!

The common people are masters of the nation,
Four and a half million people all have a share.
The people's government the people hold
E-ya-heh, eh eh eh yo
The people's government the people hold
Eh-e-yo!

The people of China are united together
To sweep out reactionary cliques.
What a glorious new nation we will create!
E-ya-heh, eh eh eh yo
A glorious new nation we will create
Eh-e-yo!

The Day Has Come

The day has come, the day has come!
The reactionaries are beaten, the lao pai hsing is master,
We may now live freely and happily, oh so happily.
The farmers own the land they plow,
The workers have work to do,
Merchants fear not heavy taxes,
Teachers need not worry about fuel and rice,
Students are given a chance to study,
Women no more will be oppressed,
Technicians will waste no time,
All will construct a new society.
The day has come, the day has come!
The reactionaries are beaten, the lao pai hsing is master,
We now live freely and happily, oh so happily.

Sa-Li-Hung-Pa-Eh

Where comes the Liberation Army? sa-li-hung-pa-eh!
Comes from the North, the Liberation Army, sa-li-hung-pa-eh!
Liberation Army comes for what? sa-li-hung-pa-eh!
To liberate Shanghai and save the people, sa-li-hung-pa-eh!
"Liberation," what does it mean? sa-li-hung-pa-eh!
Banish the oppressors, turn the tables, sa-li-hung-pa-eh!
The people turn the tables, and then what? sa-li-hung-pa-eh!
No more slaves, each his own master, sa-li-hung-pa-eh!
Everybody works to earn his meal, sa-li-hung-pa-eh!

It's Not Like The Old Days

Fellowmen, listen to my story please,
Shanghai today is not like the old days.
The Liberation Army has come to turn the tide for us
No more oppression, we are really, oh really happy.

The Liberation Army is not like Chiang's watch dog.
Public and private property are under its protection
It takes not a single thread or needle from the people
Not even a grain of rice.

The Communist Party is not like the Kuomintang.
Foreign prestige is all eliminated
The people are mobilized, mass work
Will be done by all.

Mao Tze-tung is not like the dictator Chiang Kai-shek.
He will lead China to practice new democracy
Guide the people to rule their nation
In big and small affairs.

Shanghai today is not like the old days.
The people have turned the tables and become masters
Step up production to construct an industrial
New Shanghai.

Welcome The Liberation Army

Welcome, welcome the Liberation Army
Welcome, welcome the Liberation Army
Welcome, oh welcome
Welcome, oh welcome
Welcome, oh welcome the Liberation Army
Hooray, hooray, hooray!

Liberation Army, What Are They Like?

Liberation Army, what are they like?
Cotton uniform, cotton shoes, plain and strong
With good spirit that endures hardship
To fight for the liberation of the people.

Liberation Army, what are they like?
Their good hearts love the people,
Fair play and high morale,
Never take a grain of the people's rice.

Liberation Army, what are they like?
Tough fighters on the battle field
Swift legs walk a thousand miles a day
Towering mountains and deep sea scare them not.

The Liberation Army is known to all
Winning battles from north to south.
The reactionaries have lost their spirit
And surrender with their weapons.

Liberate, liberate, liberate all,
Save the people with boundless good.
When the day comes when all China is free
Home they will go and pick up their lives.

Academic Freedom And The Student Movement In The United States

Shirley Huang

THE United States, with a history of less than 300 years, has had so much room for expansion, first geographically and later industrially and technically, that not until recently has the younger generation been limited for opportunities. When the National Student Federation of America was founded in 1925 at a conference of student representatives from 245 colleges and universities, therefore, it aroused relatively little interest among college students. By 1932, however, when America was in the depths of depression, the situation was drastically changed.

Even in normal times a large number of college students earn part or all of their expenses at small jobs around the college neighborhood. Because there is an over-supply of cheap labor, such jobs are poorly paid in comparison with areas where the labor supply is normal. And in a depression, these jobs are among the first to feel the pinch. Many students who had been depending on such work had to leave school, while others were forced to drop out because their parents could no longer afford to support them in college or because it was necessary for them to find employment in order to help support their families.

The colleges, too, had to economize. Evening classes, which had given working students a chance to continue their education, were stopped in order to save on operating expenses. Fees were increased, faculty salaries cut, and the size of faculties reduced. The increased expense of a college education naturally limited enrollments.

Start of Movement

A strong protest arose from working students who had hoped to continue their education in evening classes and from unemployed youth who wanted free educational facilities to absorb their forced leisure time. Led by such youth organizations as the NSFA, mass meetings, demonstrations and group discussions became frequent. Out of this a unified youth movement with a practical program began to take shape.

In 1934, the American Youth Congress was formed. A federation of nearly 1,000 youth organizations with a total membership of one and a half million, it wrote, sponsored and fought for the passage of the National Youth Act, a bill designed to broaden the benefits of the National Youth Administration, which had been established in June, 1935.

The National Youth Administration provided, among other things, part-time employment for high school, college and graduate students so that they could continue their education. Under the Administration, they could earn up to US$6, US$20 and US$40 a month, respectively.

The National Youth Act, which was never passed by Congress, would have provided for hours and wages at local trade union standards, a vocational training and guidance commission, a system of academic work projects for needy students, and a system of federal scholarships for needy high school, professional and technical students.

Strong among the student members of the American Youth Congress was the American Student's Union, which grew out of an amalgamation of two student groups in 1935, and in 1937 had some 20,000 members. Chiefly the ASU supported the National Youth Act, worked for academic freedom, condemned militarism in education, and organized student peace strikes.

Peace Strikes

These strikes were first held on April 22, 1936, with the cooperation of 350,000 students and teachers throughout the country. Students and teachers walked out of their classes at 11 in the morning, and staged parades, mass meetings and speeches condemning aggression and militarism and demanding that the United States be kept out of war by giving aid to those countries (China, Spain, Ethiopia) which were already fighting against Fascist domination. The first strike was so successful that it became a yearly event until 1941.

With the advent of the war, the National Youth Administration died a painless death, as young people no longer experienced any difficulty in finding employment, between the army and war industry. The NYA, however, laid the basis for the post-war GI Bill of Rights, which provides among other things federal aid to discharged servicemen who wish to continue their academic training. In addition, the NYA provided invaluable experience for the operation of the Veterans' Administration.

The war also interrupted the development of the youth movement, since the continuity of leadership was broken. After the war, the old leaders were out of the youth age group (16-25), and the new group of young people had to start in anew without the benefit of the lessons learned in the past. One of the new organizations formed was the American Youth for Democracy, which carried on in the tradition of the old American Student Union, but was strongly red-baited because it had absorbed most of the former members of the disbanded Young Communist League. The AYD was largely responsible for the demonstration in the Rainey case.

Dr. Homer Rainey, president of the University of Texas, was a progressive educator with ideas about the right of any man to as much education as he wanted, regardless of his color (in a state where Negroes, poor whites and Mexicans are played off against each other to keep the labor supply cheap and plentiful) and the right of a scholar to teach as it seems to him best. The board of regents of the University had a more conservative viewpoint. Their disagreements came to a head when the board attempted to dismiss several teachers in the Economics department who realistically included Marxist economy in their courses along with Adam Smith. President Rainey blocked the move. The board retaliated by advising him not to speak before any public gatherings in the future.

Dr. Rainey was a dynamic and popular speaker and no man to subvert his ideals to his financial security. That week he addressed a large convention of churches in an eastern state, setting forth his views strongly and in full. On his return to the University, the board of regents notified him of his dismissal.

Academic Coffin

The students, meanwhile, had been following developments with interest, and when the axe fell they swung into action. Mass meetings were held to protest the action, and four abreast 11,000 students marched around the campus carrying a coffin labelled "academic freedom." Proceeding down the broad mile-long avenue that separated the University grounds from the State Capitol, they carried their protest to the Capitol and sat on the Capitol lawn until Governor Coke Stevenson appeared to hear their grievance.

In spite of all this, Dr. Rainey was dismissed, and the University of Texas was removed from the list of accredited southern institutions and was blacklisted by the Association of University Professors. This last action, which meant that scholars and teachers were advised not to accept appointments from the University, resulted in a lowering of the high standards of education that the University had formerly maintained. Dr. Rainey is now president of Stephens College in Missouri.

The Rainey case, which attracted nation-wide attention, was one of the early skirmishes in the attack on academic freedom. This attack, which has been given momentum by the activities of various Congressional and State Legislature "witch-hunting" committees who have been attempting to ferret out "subversive" elements in the nation's educational system, took on epidemic proportions during the last presidential election campaign and has been mounting in proportion to the cold war.

Numerous instances of dismissals of faculty members on political grounds have been reported in

the papers. A roundup of some of the more noteworthy cases was given in a recent issue of the progressive weekly *National Guardian*, which reported that nine educators were dismissed from the faculties of seven colleges for actively supporting the candidacy of Henry Wallace and a number of others dismissed for similar reasons.

"Dr. Richard C. Morgan, for 12 years curator of Ohio State Museum, was fired for opposing fascism (he had long been active in community work for better race relations)," the magazine reported. "Professor Lyman R. Bradley, head of the German department at New York University's Washington Square College, was fired because he helped organize relief for Spanish Republican refugees.

"Last September, T. Forest Akeley and his wife were fired from the faculty of Olivet College in Michigan for 'ultra-liberal' views. The student body went on strike, but the dismissal held. This year four more faculty members, headed by Tucker Smith of the economics department, a Socialist, were fired on the same grounds.... A petition protesting the dismissals was signed by 180 of the school's 336 students. But the men were not reinstated."

Teachers Fired in West

In the Far West, the article continued, "three long-time professors at the University of Washington were fired in January; two at Oregon State College in February.

"Two of the Washington victims, Associate Professor Joseph Butterworth of the English department and Assistant Professor Herbert J. Phillips of the department of philosophy, admitted membership in the Communist party. The third, Associate Professor Ralph Gundlach of the psychology department, said no one could prove he was a member but he couldn't prove he wasn't.

"An 11-man faculty committee reported that the men were 'without academic fault .... competent as scholars....and objective as teachers.' But Dr. Raymond B. Allen, president, said: 'A Communist is incompetent to teach the truth.'

"The Pacific Division of the American Philosophical Association voted to 'express their confidence in the integrity, as man and teacher, of Professor Herbert J. Phillips.' A letter signed by 418 of the nation's leading educators, protesting the dismissal of Gundlach, who is president of the Western Psychological Association, contended that the issue was 'whether the University of Washington is to take the unprecedented responsibility of going beyond a teacher's record of competent performance to establish a standard of political orthodoxy.'

"Another protest, sponsored by the Bureau of Academic Freedom of the National Council of the Arts, Sciences and Professions, and signed by 150 leading educators, called the dismissals 'a threat to our entire educational system.'

Washington Post.

"You read books, eh?"

"....Students organized a protest movement. And, in addition to the NCASP, both the American Association of University Professors and the American Civil Liberties Union are investigating the case.

"Down the coast, at Oregon State College at Corvallis, two junior faculty members were dismissed. President A. L. Strand admitted that their academic work was satisfactory; one of the men, Dr. Ralph W. Spitzer, had received 'unprecedented' promotions and salary increases during his three years at the school.

"But both he and Professor L. R. LaValle were associated ~~with~~ the Progressive Party (which sponsored Wallace's candidacy) and were married to Young Progressive undergraduates. At first President Strand denied that this was the cause for dismissals. 'Anybody's politics is all right down here,' he said, 'but....'

"Spitzer revealed that both he and his wife had been called in. Mrs. Spitzer was told a Young Progressive meeting would have to be called off. Spitzer was promised very good recommendations if he would leave 'quietly and not raise any fuss.'

"Both professors raised a fuss. Dr. Strand called a staff meeting and indicated the real reason for Spitzer's firing: 'He supports the charlatan Lysenko in preference to what he must know to be the truth.'

"It turned out that Spitzer, in a letter to the Chemical and Engingeering News about an editorial calling attention to an 'indictment' of Soviet science, had written: 'In the interests of scientific objectivity, the editor might better have advised us to read the 536-page stenographic transcript of the last session of the V. I. Lenin All-Union Academy of Sciences.' To Strand this was proof that Spitzer 'goes right down the party line.'"

State legislative investigating committees, patterned on the Congressional Committee on Un-American Affairs have been set up in a number of states to bring pressure on the educational systems: the Tenney Committee in California, the Canwell Committee in Washington, and the Hartley committee on Labor and Education in New York. Other investigations are under way in Oklahoma, Illinois and New Hampshire.

Youth Movement Split

The opposition has lacked the unity of the probers. Youth groups themselves have fissioned in the postwar years over the Communist issue and have fanned out in a number of directions. The American Veterans Committee, which attracted thousands of veterans from the last war and was making its voice heard in a number of excellent causes, has lost much of its vitality since the split in its membership two years ago. The American Youth for Democracy dissolved itself in February. The various World Government organizations are drawing much of their membership from young people but they have avoided coming to grips with the issue of academic freedom or indeed any of the domestic problems besetting the country.

During the depression, the economic crisis on university campuses gave rise to a vital and effective young people's movement. The issues then were much the same as now: Academic freedom, federal aid to education, and peace. Whether the current crisis, embodied in moves to suppress independent thinking on American university campuses, will inspire students to comparable unified action remains to be seen.

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Chinese Industrial Cooperatives In The Liberated Areas

Peter Townsend

INDUSTRIAL cooperative work started in the Shen-Kan-Ning Border region, in the countryside around Yenan, in 1938. During the short-lived anti-Japanese Popular Front it was possible to send both personnel and funds to these cooperatives, and a number of them were supported by Chinese living in Java, Malaya and the Philippines.

The Border Regions had a tradition of cooperative work in rural areas—the Soviets in the Southeast and Fukien had set up their own small producer cooperatives—and much encouragement was given to CIC. In the first three years of work the number of units reached over 40, covering textiles, chemicals, leather tanning, paper-making, food processing, tailoring, brick and tile making and machine shops. Many of the individual units grew to considerable size, comprising from 50 to 150 worker-members, and great assistance was given by local technicians who imported ideas from other parts of China.

End Of Popular Front

With the collapse of the Popular Front in 1941, the industrial cooperatives in the Border Regions were thrown entirely on their own resources.

The growing isolation of the Border Regions led to a necessary concentration on local production. There was little in the way of industry throughout the whole area, but considerable skill was available in the refugee workers from the coast, Taiyuan, Tientsin and other industrial centers of the eastern provinces. The policy of the government was to provide as much as possible for both civilian and military fronts from indigenous sources, and industrial cooperatives were further considered a means of raising purchasing power and living conditions among a population already overcrowded on the land and lacking any outlet into other activities.

This policy of rural industrial development tied in with the restrictions placed on speculation in land. The landowner group, particularly strong in Shensi and the Northwest, had in the past put its money into land, wheat and merchandise. The whole area had been desperately short of capital for productive purpose and lacked any industrial incentive. The restrictions on land holdings, however, and the drastic reductions in rents now reduced the outlets for speculation and investment. Instead, security in industry was offered, and holders of capital were urged to invest in industry rather than land and commodities.

For the first time finances, though inadequate, were thus available for industry in a predominantly agricultural area. This, coupled with the drive for production and the availability of skilled workers, gave a great boost to the cooperatives.

Education for cooperation was also accorded high priority. In early years the growth of cooperatives had been forced, attempted too quickly, but this forcing of growth was abandoned, partly because of complaints by the peasants themselves that they were being pushed into something they didn't understand. Instead, the whole development of the cooperative movement was turned over to the peasants and farmers themselves, and the work of the promotional agency of CIC was confined to advice, education and effective poster and instructional campaigns.

All-Purpose Cooperatives

For the first period of industrial cooperative development in the Border Regions there was almost complete separation between industrial and other forms of cooperation. But as cooperation got more deeply rooted in the rural communities this separation disappeared. Cooperatives that had started as purely industrial enterprises became the nuclei of wider cooperative communities, first as educational centers, then as credit cooperatives in which local people bought shares, and finally, through their sales department, consumer cooperatives, and through their clinics and welfare centers, medical cooperatives.

Certain of such all-purpose cooperatives covered a wide area. One outside the west suburb of Yenan embraced nearly 10,000 people. Each divisional district appointed representatives to the central cooperative, and branch stores and industrial and credit cooperatives were established in nearly villages.

Such was not the development of all industrial cooperatives in the Border Regions, but this type of development, into multi-purpose cooperatives, has been a tendency of recent years in those districts whose economy has recovered stability with the passing of the Kuomintang.

From the end of the war, for two years, it was possible to reestablish contact between the two parts of the CIC movement. By that time cooperative industry had spread from the Yenan district through Shensi to north China. It had become a major part of the economy of the whole region. The affairs of the cooperatives had been left entirely in the hands of the worker-members themselves, and certain cooperative members had been elected representatives of their districts in the government and the People's Political Councils. The cooperative movement had remained a cooperative movement, and the many charges laid against it by those outside the Border Regions of "political manipulation" were wholly untrue.

The advisory functions of the promotion body continued, and help was given in furnishing operating capital at reasonable rates of interest. At a time when cooperatives in Kuomintang China were having to accept capital loans at between 20 and 40 percent interest per month, on a short-term, one to three months basis, cooperatives in the north were able to obtain capital grants for as low as six percent per month, and this figure was later further reduced.

Shareholders

Cooperative principles have been carefully adhered to, but in the last year of the war the clause governing shareholding was relaxed. Outside shareholders, other than member-shareholders, were allowed as a means of encouraging further investment in cooperatives. This was possible because of the strict application of cooperative law throughout the Border Regions, which did not permit interference in administration on the part of outside shareholders. A weakness resulted, however, at the end of the Sino-Japanese War, when commodity prices in both Kuomintang China and the Border Regions dropped sharply, and outside shareholders in many instances withdrew their shares without notice and caused great damage to the cooperatives. An additional provision had to be introduced, allowing outside shareholders to withdraw their shares only after a considerable period of notice.

Communist China has had its share of inflation, an inevitable result of the economic isolation forced on it during the war and the lack of industry which characterized many of the Border Regions, but never to the extravagant extent of inflation in Kuomintang areas.

During 1947 and 1948 even greater emphasis has been placed on cooperative industry in the north. In these two years nearly 8,000 co-

The author of this article is the executive secretary of the International Committee for Chinese Industrial Cooperatives. In an earlier article, published in the *China Economist* last spring, he described the cooperative movement in Nationalist China. Now, for the first time, it is possible to report what is known concerning the development of cooperatives in the liberated areas. This account is necessarily limited, since it has not been possible to maintain normal contact with the movement in North China in recent years.—Editor.

operatives were established in Shantung province alone, many of them, including machine shops, being industrial cooperatives.

There are many reasons for the progress of industrial cooperation, in fact cooperation of every type, in the northern provinces of China under the Border Region governments. Some of the reasons are mechanical: these areas were cut off from industrial centers by both Kuomintang and Japanese, were thrown on their own resources, and met no great degree of competition from centralized urban industry. Some of the reasons were inherent in the social framework: cooperative organization found a ready response in the old, tight-knit family group, and cooperative organization took on with ease the responsibility of the old family group and the change to group responsibility was effected more smoothly. More important, however, was the attitude and encouragement of the Border Region governments.

There was—and is—a determined drive to increase production. The principles of cooperative production, and the form of organization employed, were in line with the social experiments being conducted in north China, in that they gave cohesion and responsibility to the group, and greater status to the individual working man and woman.

Economic Bridge

There was another important factor. In Asiatic countries cooperative movements do not have a solely economic function. They have educational and industrializing aspects as well. Their success depends in large measure not only on the effectiveness of their membership but also upon the encouragement and understanding of governments. In countries where education of peasants and farmers is looked upon with disfavor, where rates of interest are so exorbitant that the artisan is never able to escape from debt, and where the sources of power, whether it be electricity or machinery or land, are almost invariably monopolized, a young cooptrative movement can only grow healthily if it is encouraged by the government of the country concerned. Industrial cooperation forms one of the bridges linking an agricultural economy with an industrial economy and transfers old responsibilities rather than destroying them and leaving a vacuum. The Border Region governments, preoccupied in the early days with the problems of a predominantly rural population, understood this. The Kuomintang, preoccupied with monopolies and blueprints of rapid western-style industrial development which bore no relation to the standards of living of peasants, farmers or workers did not. Thus, whereas in Kuomintang China the industrial cooperatives were regarded as dangerous, or were absorbed little by little into private pockets, in Communist China they were accepted for what they are—part of the coalition of anti-feudal forces.

The Week's Business

LITTLE business was done during the past two weeks of momentous change in Shanghai. During the first week, the Kuomintang troops were busy in pulling out from Shanghai while in the second week, with the entry of the People's Liberation Army, the Military Control Commission of Shanghai has been busily engaged in the taking over of political and financial organs.

In a swift and efficient manner, the new authorities on May 30 opened the East China office of the People's Bank, with Tseng Shan as manager and Chen Mou as assistant manager, and the Shanghai office of the People's Bank, with Chen Mou as manager and Hsieh Sou-tien and Lu Shun-keng as assistant managers.

As from May 28, the Military Control Commission ordered the conversion of Gold Yuan notes at the rate of GY100,000 for PB$1 and decided to ban the circulation of the Kuomintang notes on June 6. Over 200 commercial banks in Shanghai joined to help the People's Bank in the currency exchange.

Meanwhile, the new authorities started the takeover of the former KMT banks and factories, including the Central Bank of China, the Bank of China, the Bank of Communications, the Farmers Bank, the Central Trust, the China Textile Industries, and others.

Thanks to the cooperation of the workers, none of Shanghai's public utilities suspended operations during the days of confusion caused by severe fighting in the suburbs of Shanghai. As a matter of fact, because of the resumption of so many factories more power has been supplied by the Shanghai Power Company during the few days following the liberation than was used during the period immediately preceding it.

With the exception of airlines, practically all other forms of transportation resumed operation immediately following the liberation. Forty-eight hours after the entry of the People's Liberation Army, the first train arrived in the Shanghai North Station from Nanking. Telegraphic communication with outports and foreign countries was not affected at all during the change over.

Already, one foreign ship has arrived in port after the liberation. Two ships of the American President Lines are expected to arrive in the next few days, while ships of Butterfield & Swire are expected to call at Shanghai on their way to Tientsin from Hongkong. Traffic along the Yangtze is expected to be resumed soon, as 14 ships of the China's Merchants Steam Navigation Company escaped damage in Shanghai, Hankow and other ports along the River despite the wholesale destruction of many ships by the KMT.

In an attempt to stabilize commodity prices and to facilitate the free flow of commodities between cities and villages, the Shanghai Military Control Commission has organized a Trade Bureau in Shanghai. As from May 31, the agent of this bureau has started to buy factory goods from Shanghai for export to outports. Meanwhile, the Bureau is importing goods from other ports to Shanghai. The agent of the Trade Bureau is at present handling all trade and has agreed to buy manufactured goods from the local factories to the amount required for the payment of wages.

Although no system has yet been announced regarding the payment of wages on May 31, all industrial plants and commercial firms paid their staff members according to the old system of May 15. However, the new authorities paid PB$2,000 each to the railway workers, telegraph office workers, and others as an advance on their wages before May 30. Meanwhile a preparatory committee for the organization of the Shanghai Labor Union was formally organized on May 31.

On May 30 godowns and savings deposit boxes of all local banks were ordered to be sealed. The purpose of this order was reported to be an attempt to ascertain the properties owned by KMT members and bureaucratic capitalists. However, at the request of the public, the authorities permitted those regular businesses and private individuals who have had no connections with the KMT to move their goods.

On May 24, the last day of the KMT rule of Shanghai, one ounce of gold was quoted at GY1,500,000,000; one US dollar at GY33,500,000; and one silver dollar at GY40,000,000. One picul of rice was GY350,000,000; one unit of 20's cotton yarn GY3,100,000,000; one piece of 12 lb. cotton cloth GY133,200,000; one bag of wheat flour GY56,000,000; one ream of newsprint GY66,000,000 and one bale of raw silk GY4,350,000,000.

On May 31, one week after the entry of the People's Liberation Army, one ounce of gold was quoted at PB$40,000; one US dollar at PB$750; and one silver dollar at PB$650. One picul of rice was PB$4,800; one piece of 20's yarn PB$12,400; one piece of 12 lb. cotton cloth GY6,900; one ream of newsprint PB$2,820 and bale of raw silk PB$250,000.

Because of the high prices prevailing in many liberated areas, prices in Shanghai increased in terms of Gold Yuan. However, with transportation facilities improved, large quantities of industrial goods stored in Shanghai can be sent to the interior for the exchange of foodstuffs, which should contribute to the stabilization of prices.

Businessmen are experiencing relief from the tension and anxiety of trying to preserve the value of their money under the KMT rule, and they are waiting hopefully for the time when they can resume their activities.

NEWS OF THE WEEK

Chen Yi New Shanghai Mayor; Takeover Progresses Smoothly

WITH the fall of Shanghai, all eyes are turned on China. The whole world is watching with intense interest and close attention to see what the Chinese Communists are going to do and whether they are able to run the world's fourth largest city. But the outside world will not to have to wait long to find the answer. The ability of the Chinese Communists to run big cities is being proved by the prompt takeover of the Kuomintang government agencies and other affiliated industrial and financial organizations in Shanghai, which has been orderly and efficient.

The success of the Chinese Communists in taking over and running Shanghai is all the more remarkable if we take into consideration the fact that so far they have been entrenched in the rural districts, and have had only three months' practical experience in running big cities. Tientsin and Peiping were captured in January of this year and it was not until last February that the Central Executive Committee of the Chinese Communist Party adopted its historic resolution calling for a shift of the center of gravity of party work from the villages to the cities.

Shanghai is the nerve center of China's industry and commerce and an international trading port. To run such a city has long been regarded as a task of the first magnitude. When K. C. Wu was mayor of Shanghai under Kuomintang rule, American businessmen and correspondents said he had the worst job in the world. Therefore, the smoothness with which the Communists have taken over is an auspicious beginning.

Of course it is too early to pass final judgment on the record of the Communists, but their initial success leads one to the conclusion "so far, so good."

The first few days after the entry of the People's Liberation Army into Shanghai witnessed a kind of holiday atmosphere. Groups of students and workers were seen daneing the yangko in the streets and singing revolutionary songs. The sight of young boys and girls in their early teens yelling slogans till their voices were hoarse was impressive and touching.

* * *

Historic Change

IN a stirring address delivered before a large gathering of the City Government personnel, General Chen Yi, Chairman of the Military Control Commission and mayor of Shanghai, pointed out that the present change is an historic one, unprecedented in scale and thoroughness. There have been several revolutions in Chinese history but each meant only the passing from one form of bondage to another, the General said. However, he explained the present revolution is different, because "this revolution is a revolution of the people and purely for the people."

The Communist occupation of Shanghai is generally felt to have far-reaching consequences. The reason is not far to seek. For one thing, Shanghai is the foundation upon which China's economic structure is built and it was upon Shanghai that the discredited Kuomintang regime under Chiang Kai-shek had depended for financial support to prosecute the war. In addition, ever since the founding of the Chinese Republic, the influence of foreign powers has been very strong in Shanghai, even after the powers surrendered their special rights and turned back the International Settlement and the French Concession to China following VJ Day. The Chinese Communists have long called Shanghai the principal stronghold of imperialists in China. As a result, the fall of Shanghai into Communist hands has opened a new era in the relations between China and the foreign powers. So the change that has come over Shanghai is also a historic change from the viewpoint of world relations.

* * *

Trade With Reds

IN view of the rapid development of the China situation; the major powers are considering quite seriously the possibility of doing business with Communist China. Americans and Britons are particularly eager to do something about it. Roger Lapham, ECA director for China, said in Tokyo that there are signs the Chinese Communists want to continue contact and trade with the outside world and that the possibility of continued business by American firms in China depends on circumstances. He said in part:

"If private enterprise wants to deal with the Communists, I don't believe there will be any obstacles put in their way by the government —but it will be private enterprise taking their own chances and making their own deals."

An *AP* story dated May 30 from Washington said that the United States Government is swinging around to a policy of doing business with a Communist China. The State Department is reported to be working out a policy of restricted trade like that which governs American economic relations with the Communist countries to Eastern Europe to cover dealings with the Chinese. It is understood that this is based on two major provisions:

1. What the Chinese buy from the United States will be in cash or goods. No American aid supplies go to Communist areas.
2. Goods which are now barred from trade with Russia and its European allies because they might have military value will not go to Communist China, either.

Along with a trade policy built on these lines, the State Department is intensively studying the Chinese situation and its impact on general American foreign policy toward the Far East.

In addition, the question of American recognition of the Communist Government in China is under consideration, the *Associated Press* disclosed. According to *AP*, "....This will raise the question of American recognition, and while no final decision has been made all indications are that this government (American government) eventually will recognize the new regime and establish diplomatic relations with it. Already American diplomats are in contact with local Communist authorities in key cities like Tientsin, Peiping and Nanking.

However, it is generally believed that the question of recognition will probably have to wait until the Chinese Communists have taken Canton and formed a government for the whole country.

* * *

Soviet Envoy Off

SOVIET Ambassador to China N. V. Roschin is reported in the press to have left Canton for Moscow on May 30 for "consultations." General Roschin is the only ambassador who has followed the refugee Kuomintang government from Nanking to Canton.

The situation in Canton is said to be confused. Ho Ying-chin's resignation as president of the Executive Yuan has been accepted by Li Tsung-jen. According to press accounts, members of the Central Standing Committee of the Kuomintang have recommended Chu Cheng, elder statesman of the Kuomintang and close associate of Chiang Kai-shek, as Ho's successor. But Li has not yet given his approval.

It is also reported that Yen Hsi-shan, former governor of Shansi, is leaving for the United States as special envoy of Li Tsung-jen to ask the United States for financial and military aid. Yen recently went to Formosa together with four other leaders of the Kuomintang to request Chiang Kai-shek to proceed to Canton to direct the country's affairs.

Comment In Chinese Magazines

Hsin Chung Hua

THE *Hsin Chung Hua* magazine of May 1, 1949 criticizes the foreign policy of the former Kuomintang government and suggests that China should pursue a new foreign policy based on cooperation with nations all over the world in order to fight the imperialists and achieve national liberation.

The magazine charges that the foreign policy of the Kuomintang government was made to serve the interests of the feudalistic and compradore classes.

The magazine writes: "The underlying principle for a country's foreign policy must be built on the basis of the spirit on which the nation is founded. There is no truly democratic nation which would allow itself to tag behind an imperialist country and to entertain thoughts of aggression...nor could such a nation express sympathy for the reactionary rule existing in other backward nations.

"Unfortunately, for the past few decades the foreign policy pursued by China did not adhere to the course laid down by the Three People's Principles. The country was willingly being led by the nose by the imperialists, and placed itself in a position opposed by the democratic forces of the world.

"We must frankly admit that our foreign policy to date has been lacking in the characteristics which mark the diplomatic activities of an independent and sovereign state, in that it does not seek to foster the liberation and the prosperity of our people, and that it never clearly undertook to carry out the behest of Dr. Sun Yat-sen to 'join hands with the peoples of the world treating us on the basis of equality to engage in the common struggle.'

"The reason for this state of affairs has been due to the fact that the foreign policy pursued so far has been in the interests of the feudalistic and compradore classes. The imperialists, in their aggression in China, naturally interfere with China's domestic issues, and foster the interests of these feudalistic and compradore classes who act as agents for their aggressive measures. The latter, in order to consolidate their own position, naturally are at all times prepared to act willingly as stooges of the foreign powers. The past is gone—let us look into the future."

The magazine stresses the anti-imperialist and anti-feudalist characteristics which China's new foreign policy should possess. The reasoning advanced is as follows:

"China, as one of the nations sinned against in the matter of aggression, should, in her international relations, constitute a current in the world's anti-aggressive forces of the people. For international imperialism cannot be overthrown by China single-handed, and there is need for her, if she is to escape aggression, to join forces with all the anti-aggression forces of the democratic peoples of the world. And since our basic demand is for liberation, for independence, and for freedom, there is in principle no room for us to indulge in unqualified cooperation with any of the imperialistic powers, much less to be led by them in the direction they want us to go. Our foreign policy must thus at once be a national and an international one. On the standpoint of nationalism, we must work for our liberation and the liberation of other peoples sharing our present fate. On the standpoint of internationalism, we must befriend all peoples who are opposed to aggression, and look upon the imperialists as our enemies in order to seek the universal success of democracy.

"China, as a backward nation, must also remove all the feudalistic influences within if she is to march on the road to modernization and prosperity. We want democracy politically, and prosperity economically. Thus it is clear that those in international circles who can really help us are the countries which are themselves really democratic, especially those where economic democracy is being practised. Fascism is, of course, aggression. But even the highly developed capitalistic states also have a need for aggression. All aggressors must cultivate the feudalistic elements of the backward countries to serve as their stooges. They must use such backward countries as their markets and so must proceed to throttle the infant industries in such countries. Thus, only countries whose social and economic structure does not admit of inherent paradoxes can be truly friendly toward us."

On the subject of resisting aggression, the magazine says: "The second world war might have been basically one against aggression and Fascism, and many important measures might have actually been laid down during that war for the building of postwar peace and democracy, but the actual developments after the war did not live up to expectations. For the postwar situation is one in which, on the one hand, the liberation movements in the colonial possessions have been subjected to greater oppression, while the reactionary influences on the other hand, in the backward countries have been given greater support, with the result that the people's movement for democracy and independence has been severely hit. On the other hand, the Fascist remnants of the erstwhile enemies of the Allies—Germany, Japan, and Italy—have been tolerated and even encouraged and have held on to their ruling powers and have actually been given rehabilitation aid, whereas the countries liberated from Nazi oppression which are marching on the road to democratic reconstruction have been treated with hostility.

"More important still is the fact that the United Nations, the organ that was to serve as the instrument for the cooperation of the major powers, has been vitally injured. The United Nations has been deserted under the regional alliances' formed on the pretexts of economic rehabilitation and joint defense. The North Atlantic Pact recently concluded under the leadership of the United States ...is openly directed toward a permanent member of the United Nations Security Council, and is leading the world to a new war.

"In addition, the West German state is being born. The Pacific Pact is brewing. All these developments show that the reactionary influences of the world are tearing down the United Nations....

"In the present world situation, the proper foreign policy to be pursued for China must be obvious. If it should be said that the reactionary forces of the world are prepared to give us aid, then the aid will assuredly not be intended for the peace-loving people of this country, but rather for the feudalistic remnants and compradores..."

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Comment In US Magazines

New Republic

A suggestion that the United States make a thorough review of its policy in Germany now that Undersecretary of the Army William Draper has tendered his resignation is contained in an article by James Stewart Martin in the *New Republic* of March 21.

Pointing out that Draper is the person "who has rightfully received credit for reversing our original policies against cartels and other excessive concentrations of economic power, both in Germany and Japan," Martin, who was formerly chief of decartelization in Germany under Draper, writes:

"As a major general and economic adviser to General Lucius D. Clay, the outgoing Undersecretary was responsible for over-ruling the Potsdam decision to build up Germany as a consumer-goods producer and for substituting in place of the Potsdam formula the older pattern that had prevailed between the two world wars. The Draper plan will make Germany the principal supplier of heavy industrial equipment to the rest of Europe."

Now, he says, dispatches from Germany "indicate that the managers of Germany's leading prewar steel combines will be members of the board of trustees that will run the Ruhr steel industry for the Allies."

Martin reports that the job of choosing German members of the control board for the Ruhr iron and steel industry was given to Dr. Hermann Punder, president of the Executive Council of the Bizonal Economic Administration, a man man who was a lieutenant-colonel in the counter-propaganda service of the German Army High Command during the war. The persons suggested by Dr. Punder, Martin continues, "included representatives of the biggest prewar steel combines" and were unacceptable to a group of trade union leaders who had been called in to help advise. Thereupon, he says, General Clay "immediately stated his conviction that not more than three of the twelve German trustees should represent former owners of the combines, and declared that he and General Sir Brian Robertson, British Military Governor, would have the last word in naming the German trustee group. The trouble is that General Clay apparently has no thought of replacing Dr. Punder."

Martin next discusses the US members of the Ruhr trusteeship commission, who he says include four representatives of the United States Steel Corporation and one of Inland Steel. "Prominent among them," he writes, "is Ian F. L. Elliott, described as a British subject who is a representative of US Steel in Europe. In the years immediately before the outbreak of World War II, Elliott participated in the management of the International Steel Cartel . . . Elliot also frequently acted as spokesman for an American group that was silently bringing the American steel industry into the cartel despite difficulties posed by the anti-trust laws . . . The announcement of Elliott as one of the 'American' trustees of Ruhr industry clearly points to a reconstitution of the cartel . . ."

Martin recalls that despite the claims of progress being made along the lines of decartelization in Germany in 1947, the Ferguson Commission was sent to Germany last December "to find out why nothing ever had been done to reorganize any German cartels or combines under the anti-cartel law . . . which had been issued February 12, 1947." This Commission, he reports, included among its witnesses Alexander Sacks, who at that time was serving with the small anti-cartel squad attached to the Military Government in Germany. Sacks testified:

"The men charged with the highest responsibility by the Commander-in-Chief have failed to carry out the explicit orders of the July 15, 1947, Directive to the Commanding General and Military Governor in Germany. The policy of the Roosevelt and Truman Administrations has been flagrantly disregarded by the very individuals who were charged with the highest responsibility for carrying them out . . . It is no secret that the operations of the Decartelization Program have been hampered by Major General Draper and his associates in Military Government . . ."

Martin's theory is that Draper's resignation does not necessarily portend any full-scale investigation of the situation in Germany. "It seems more likely," he says, that the Germany First group feels that its mission has been accomplished. . .

"The cartel system that reached its peak in 1929 was based on a series of triangular arrangements among leading industrial groups in Britain, the United States and Germany. The division of the world's chemical markets among Imperial Industries, Ltd., Du Pont, and I.G. Farben was only one of many such set-ups engineered to police the Western European economy and the channels of world trade. A new version of this same system is being put across once more, in a repetition of the tragic errors that followed the First World War. Germany is again to be the focal point, with British and American finance and industry joining in the new alignment of forces."

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What Chinese Papers Say

WILD jubilation was displayed in the Chinese press over the liberation of Shanghai from the yoke of the Kuomintang.

* * *

Shanghai's Liberation

THE *Chieh Fang Jih Pao*, official organ of the Chinese Communist Party in Shanghai, hailed the liberation of Shanghai as an event of tremendous significance. It said:

"The development of the war for the liberation of the people to its present phase . . . will shake the whole world and the whole of humanity. In the era to come, the great Chinese people, with their intelligence and their industry, will proceed with the building of an independent, free and prosperous new China, and thus promote peace and democracy all over the world. . ."

However, the paper pointed out that, with the liberation of Shanghai, the struggle of the people in this city has entered a new phase. It listed the three immediate tasks ahead as follows:

"Our first great task now is the thorough destruction of the remnant elements of the Kuomintang reactionaries. . . .

"Our second great task is to marshall all our forces in unison for the safeguarding of the democracy and freedom of Shanghai's citizens. The people for years have been oppressed and exploited to the point where not a shred of freedom is enjoyed by them, and now they have acquired freedom and democracy with their own efforts. Only they, therefore, can realize fully the preciousness of democracy and freedom, and only they can realize that the revolutionary order is the most effective weapon for the safeguarding of the people's democracy and freedom. We must therefore organize promptly the various kinds of revolutionary public organizations, and under the leadership of the People's Government, utilize the political consciousness and organization power of the masses themselves . . .

"Our third task is the smooth completion of the taking over, and the speedy restoration of production. The Party, political and military organs of the Kuomintang reactionaries in Shanghai must be taken over at once. We call upon the old workers in these organs not to be unduly alarmed, but to remain at their original posts and to obey the instructions of the Military Control Committee of the People's Liberation Army and the military representatives sent out by the Committee, so that the work of taking over may be speedily accomplished."

In order to fulfil the above-mentioned tasks, the paper stressed that it is necessary to follow the basic principles laid by Communist leader Mao Tze-tung and to count on the political consciousness and discipline on the part of the people. It continued:

"The work of the restoration of production is to be carried out under the basic principle of: 'development of production, promotion of economic prosperity, paying attention to both State and private interests, and benefiting both labor and capital.' Only with the speedy restoration of all the public and private industrial enterprises in Shanghai and their normal operation will a real revolutionary order be set up. It is true that the abrogation of the evil systems in the old social order is an imminent need. But this work of abrogation must be preceded by a period of careful planning. To expect that on the very first day of the liberation of Shanghai all the garbage accumulated under the old social order in decades will be swept clean with a single stroke is not only impossible, but will instead create chaos which is against the interests of the people."

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What US Papers Say

THE fall of Shanghai was the signal for considerable editorial comment on the part of the US Press. Despite the Nationalist censorship most papers were prepared for the Communist victory and dealt with the causes of the Nationalist defeat as well as future prospects for China.

* * *

Shanghai Change-Over

THE *New York Herald Tribune* saw the Kuomintang "toothpick fence" around Shanghai as a symbol of attempts to halt the drive of the Chinese Communists, stating:

"The wooden fence encircling Shanghai, built by Nationalist troops as a barrier against strong Communist armies well equipped with artillery, is an excellent example of the futility of much of the opposition to the Reds in China. The history of the fight against the Communists in that country is a history of the construction of flimsy fences of one kind or another. The Nationalists have had a defensive psychology. While many of the obstacles they have erected to halt the Reds have been more substantial than the absurd fence at Shanghai, little has been done to win popular support for defending the obstacles and all of them, no matter how well built, have been penetrated.

"Shanghai and its fence have now fallen in turn, virtually without a fight. Once more it is demonstrated that no government can win a civil war, no matter how much military superiority it has when the shooting begins, if the people of the nation have no enthusiasm for its cause. . .

"There are pressing reasons for policy-makers to study areas of China where the Reds have had difficulties, which are areas where the peasants have been reasonably well treated by Nationalist officials. They also should study with care the success of General MacArthur in building a basis for democracy, and for opposition to communism, by carrying out agrarian reforms in rural Japan, the communists have been thwarted without the use of military force. Such studies will show that the problem of defeating communism in Asia, as in Western Europe, is more an economic and political problem than it is a military problem, although no question exists that force must be used when Red armies must be faced. . .

"The essential task in Asia is not one of building fences or of drawing lines beyond which evil men are forbidden to pass. The essential task is to give the people of Asia something for opposing communism while the opportunity to oppose it still exists."

The *Baltimore Sun* took a relatively calm view of the new status of Shanghai particularly regarding foreign activities and US policy. Its editorial read in part: ". . . Experience in Shanghai, as in the other great cities already overrun by the Communists, such as Peking and Nanking, suggests that this (contact with the Chinese people) will not be impossible. It is a significant fact that, despite Communist assumption of control in Shanghai, news continues to come out of the city from American correspondents, and apparently without censorship.

"The business life of the city is, of course, badly disrupted; yet nothing like a concerted move against foreign business enterprises has yet appeared. Nor is it likely to appear in the years immediately ahead, since a Communist China bent on industrialization will be even more heavily dependent on trade with the West than its predecessor.

"So far as other types of foreign-sponsored enterprise are concerned, there is even less indication of interference. It is foolish to suppose, as some do, that Chinese communism differs in any very important sense from the kinds of communism taught in Moscow. But communism in China is still the cult of a handful. To the Chinese masses, communism means many things. To some it is the sum of evil . . . To others it appears as a kind of Utopia in which there will be relief from landlords and relieve from the tax gatherer, a better life, with enough to eat and no more war.

"It most certainly does not mean, at this stage, dislike for such products of the West as may come their way through trade. It most certainly does not mean repudiation of the work of the doctors, the missionaries, the teachers, the engineers and agricultural specialists, the countless foreign men and women who have quite literally devoted their lives to the improvement of conditions in China . . .

"Such enterprises—schools, hospitals and clinics, private charity and specialized services of countless kinds—are continuing. Knowing their value, and knowing what they mean to the masses who have still to be converted to their doctrine, the Communists will be slow to stop them. And it must be the task of our diplomacy—it must be the core of our new Chinese policy—to maintain and develop them. . . .

"The conquest of China by the Communists, we must remember, is not the same thing as the conquest of China by communism . . . The first of these conquests now seems a foregone conclusion. The second is barely begun, and will be vastly more difficult.

* * *

Nationalist Corruption

THE *Pittsburgh Post Gazette* held that the defeat of the Kuomintang has come from within and not from lack of US aid. It said editorially:

"One reason why the Chinese Communists were able to take over Shanghai without much violence, it is said, was that big business interests in this world's fourth largest city, fearing destructive street fighting, paid the Nationalist commanders a large sum in gold bars to withdraw peacefully.

"We have no doubt that such a solid and glittering argument as this would have quickly persuaded the Nationalist generals to forget their pledges of a last-ditch fight, especially when the outcome of such a contest was dubious at best. At any rate, Nationalist forces withdrew without battle, leaving only rearguards to cover their retreat, and are now trying to reach troop ships north of Shanghai to evacuate them, probably to the island bastion of Formosa.

"The story of the gold bars is in character with this history of the Nationalists in China. Twenty-two years ago, it was they who were entering Shanghai and completing the conquest of the country. Led by a young general, Chiang Kai-shek, they were full of progressive ideals. They pledged to overthrow militarism, to end foreign privilege, and to educate and elevate the workers.

"The years which followed were full of tribulations. As a result of the tasks of unifying the country and later because of the long war against Japanese aggression, most of the reforms which the Nationalists promised had to be postponed. But by the time the Japs were driven out, it became increasingly apparent that reforms would never be carried out. The all-powerful Kuomintang was controlled by a wealthy and reactionary clique which successfully blocked efforts to improve the lot of the Chinese people. The resultant apathy or hostility of the population made the task of the Communist armies all too easy.

"We scan this brief chronicle not to deny the great disaster which the Communist triumph in China means for the Western world, but to emphasize that the destruction of Nationalist China came chiefly from within. This is a fact which has been overlooked by critics of the State Department who have blamed the fall of China on America's failure to send Chiang Kai-shek aid in the amounts needed to defeat the Reds.

"This country during the last eight years gave Nationalist China four billion dollars, for which there is nothing to show. And an eleventh-hour attempt to save Chiang, such as was recently proposed, would have required billions on billions more and probably a considerable body of American soldiers.

"Those Americans who insist that China went down because of United States policy—or lack of it—should keep in mind the huge portrait of Nationalist corruption, of which the Shanghai gold bars are only a tiny detail."

The Review's English Lesson—LXXXIV

Writing Readable Prose

ONE of the great difficulties of students of English, even if they were born to the language, is the writing of readable prose. The late Ring Lardner, sports writer and one of the better modern American writers, could write highly literate prose, but often preferred to add flavor to his short stories by telling them in the semi-literate language of the people he knew best—baseball players, farm people, shop girls. He did a very good job of reproducing their writing and speech, and I will use the opening paragraph of one of his short stories as a horrible example. This is supposed to be the diary of a high-school girl more interested in her social life than her studies.

"I am staying here at the Inn for two weeks with my Uncle Nat and Aunt Jule and I think I will keep a kind of a diary while I am here to help pass the time and so I can have a record of things that happen tho goodness knows there isn't lightly to anything happen, that is anything exciting with Uncle Nat and Aunt Jule making the plans as they are both at least 35 years old and maybe older."

You can see at once that this is all wrong. For contrast, let's take a paragraph from Sinclair Lewis, one of the top-ranking American authors.

"Cleo, now a proud young cat, came galloping hysterically downstairs when she heard their voices. Then she pretended that she didn't even know them, but had just happened to be passing that way. In fact she stayed about for an hour, to make sure that they saw how she ignored them."

Here is an example from a speech by Winston Churchill, who, whatever his politics, is a blessing to the English language.

"The House must face the position squarely. Not only have we failed to stem the advance of the new enemy, but we have had to weaken seriously the hopeful operations we were carrying on against the old."

And a selection from one of America's younger writers, Howard Fast, a brilliant historical novelist.

"Time passes, and ours is a healing land under a healing sun. I found Judas, one day not long after, sprawled on the hillside with the goats, and he looked up at me and smiled. The smile I remember well, for the smile of Judas, my brother, was not something easily forgotten or easily resisted."

* * *

WHAT makes the difference between the last three examples and Lardner's school girl?

You may be tired of studying grammar, You may feel that it is beneath you and it really doesn't help you noticeably. I will grant that learning that a noun is the name of a person, place or thing and a pronoun takes the place of a noun isn't a great deal of help. Knowing every rule in the book doesn't guarantee that you can write properly. Rules are important not for themselves, but when you use them. The only actual bad grammar you can find in the Lardner selection is the phrase "there isn't lightly (likely) to anything happen," which is a colloquial phrase common among less highly educated people in the States. It is something else that is wrong with the young lady's writing.

Look at the sentences. Lardner's school-girl opens her mouth and doesn't stop talking until she is out of breath. That is the longest selection I have given you, but each of the others is divided into two or three sentences. Does that mean that if you write short sentences your writing will be clear? Not necessarily, but it is much more likely to be. Long sentences can be clear, though, and short ones can be obscure. We shall take two more examples from Ring Lardner.

"He, of course, has to spend almost all his time in the theater and that leaves me alone in the hotel, and pretty soon people find out whose wife I am and introduce themselves, and the next thing you know they are inviting us for a week or a weekend at Dobbs Ferry or Oyster Bay."

What could be clearer than that?

"But I always think that if a person hasn't taken that trip, they haven't seen anything. And Bess would have certainly enjoyed it. She used to bite her fingernails till she didn't have any left. But she married this man from Minneapolis."

Perhaps now you are beginning to see what leads to clarity in expressing yourself, whether in writing or speech. In the first selection I quoted from Ring Lardner, the school girl expresses herself in one long sentence, but it is just as choppy as the last quotation which is divided into four. If you express four only slightly related ideas, whether in four sentences or one, you are bound to sound disconnected.

Paragraphs and sentences were invented for the purpose of making writing easier to read. If your speech is well organized and you write as you speak, the paragraphs and periods represent the normal pauses in your speech, and punctuation, such as commas, semicolons, etc., shows shorter pauses and separates two ideas that are likely to run into each other.

* * *

NOW that we have discussed what you shouldn't do, what should you do? We shall start with a sentence.

A sentence expresses one specific idea. It may do so in two words (the least possible, as you know from your grammar books that a sentence must have a subject and a predicate) or it may take half a page and, with appropriate punctuation, still be perfectly lucid. **"I eat"** is a sentence. You can add an object and make it **"I eat vegetables."** By modifying the object and using a verb phrase, you get **"I like to eat green vegetables."** You can modify the verb phrase with an adverbial clause and say **"When I am invited out to dinner, I like to eat green vegetables."** Or put it into the subjunctive: **"When I am invited out to dinner, I like to eat green vegetables if they are properly cooked."** You can continue to hang things on the sentence without getting away from the idea, which is **"I like to eat vegetables."** A perfect example of a complicated sentence which expresses one idea clearly is the Declaration of Independence of the United States. In one of my classes once, a student asked me to diagram it. I didn't know what I was in for until I had covered half the blackboard. The sentence diagrammed like an algebra problem. There was a place for everything. Tom Jefferson can teach you a lot about organized thinking.

Now for the paragraph. A sentence deals with one idea. A paragraph is a collection of the ideas related to a specific topic. One sentence in the paragraph, usually the first sentence, outlines the topic. While the schoolgirl tries to make one sentence cover too many ideas, Bess's friend has too many topics in one paragraph Each of her four sentences is correct in itself, but each could be the topic sentence for a separate paragraph.

Now look at the Lewis selection. The first sentence tells you that Cleo, the cat, comes to greet "them". The rest of the paragraph discusses, in an interesting manner, the way she greets them. Having finished with that topic, Mr. Lewis goes on to the next—in another paragraph.

In the selection from Howard Fast, the thread of the story concerns five brothers. This particular paragraph is like a bead strung on the thread. The first sentence outlines the theme of the paragraph and the other two sentences relate that theme to the story. That is the way a good paragraph should be written.

Incidentally, notice the "not only....but (also)" construction in the Winston Churchill speech. That is very smooth when used properly. In the next lesson we shall discuss some of the specific ways to improve senttnce construction.

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